

MINUTES OF THE SHREWSBURY CONTRIBUTORY RETIREMENT BOARD

DATE: August 11, 2006

PLACE: Meeting Room B

PRESENT: Kevin McNeil, Mary Thompson, Ann Dagle, Caryn Shea, Jay Montgomery

Hearings and/or meetings: The board conducted annual money manager meetings with Atlanta Capital and Rhumblin. Peggy Taylor and Bill Bell of Atlanta Capital (small cap equity) and Julie Lind and Wayne Owen of Rhumblin (index fund) met with the board. For the period ending June 30, 2006 the Atlanta Capital fund was valued at \$6,039,108. The second quarter return was -2.5% compared to the Russell 2000 which was -5%. Year to date the fund had a return of 7.4% compared to 8.2% for the Russell 2000. Ms. Taylor and Mr. Bell reported that favor for high quality stocks should be on the upswing.

The index fund invested by Rhumblin was valued at \$8,521,156.00 as of June 30, 2006. The second quarter return was -1.6% compared to the Russell 1000 index return of -1.7%. Year to date the fund had a return of 3% compared to 2.8% for the Russell 1000. Rhumblin is closely mirroring the index.

No major changes have occurred within either firm and none are planned at this point in time.

The board met with its consultant Greg McNeillie from Dahab Associates for a quarterly performance review. Overall, the fund was valued at \$55,245,751.00 as of June 30, 2006. For the second quarter of 2006, the portfolio lost .9%, slightly less than the Shrewsbury policy index of -.8%. For the trailing year, the fund returned 10.9% compared to the policy index of 8.2%. The fixed income manager, I R M and the real estate manager, PRIT, had positive returns. Year to date, the fund outperformed the index 3.8% compared to 2.9%. No re-allocation of funds was recommended at this time. The international equity portfolio may have to be trimmed back at some point but right now it is still lower than the 15% designated in the investment policy.

The minutes of the meeting held July 14, 2006 were approved and signed.

New Member Applications:

Mrs. Dagle motioned to accept the membership application(s) of the following employees:

Kara Antocci – School ABA Tech
Rosaria Cappuccio – School ABA Tech
R Ryan Chartrand – Police Officer
Sharon Dowd – School Occupational Therapist
Lisa Therrien-Annis – School ABA Tech

Seconded by Mrs. Shea, the motion was so voted 5 - 0.

Refund Applications:

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Mr. Montgomery motioned to approve the following refund applications pending no DOR lien:

George O'Connor – School Aide

Seconded by Mrs. Thompson, the motion was so voted 5 - 0.

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Retirement Applications:

Mrs. Dagle motioned to approve the superannuation retirement application of Victoria Pellegrino from the Council on Aging Office effective August 31, 2006. Seconded by Mrs. Shea, the motion was so voted 5 – 0.

New Business:

Mrs. Thompson motioned to accept payment for the re-deposit of refunds from Mary Budzinski and Denise Nordstrom and for prior service with the Sheriff's Office from Kevin Warwick. Seconded by Mrs. Dagle, the motion was so voted 5 – 0.

Mrs. Thompson motioned to appoint Gail A. Sokolowski as Election Officer for the upcoming retirement board election. Seconded by Mrs. Dagle, the motion was so voted 5 – 0.

Mr. Montgomery motioned to grant member-survivor benefits to Thomas R. Josie, the surviving spouse of deceased member Jean M. Josie. Seconded by Mrs. Thompson, the motion was so voted 5 – 0.

New Business (con't):

It was noted that retired Police Chief Robert McGinley had submitted an application for credit for personal use of a town supplied vehicle. The office will research the processing of the application.

Old Business: NONE

Bill Schedules, Payrolls and Refunds: The following bill schedules, payrolls and refunds were approved and signed:

Warrant #8 \$1,500.00

Buck Consultants LLC	\$1,500.00
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Payroll:	Gail A. Sokolowski	\$3,952.80
	Mary Thompson	\$250.00
	Retirees & refunds	\$334,875.18

Communications:

PERAC Memos: 32 - 36 were reviewed.

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PERAC approved of the Funding Schedule was noted.

Miscellaneous correspondence was reviewed.

Investment reports were reviewed.

August 11, 2006 (con't)

The next regular monthly meeting is scheduled on September 8, 2006 at 3:30 PM.

Respectfully submitted,

Executive Director

Member

Chair

Member

Member

Member